Curtailing inflation

1238. SHRI NATUJI HALAJI THAKOR: Will the Minister of FINANCE be pleased to state:

(a) whether Government has conducted any study to find out the reasons for inflationary trend in prices of essential commodities;

(b) if so, the details thereof; and

(c) what monetary and other measures are being proposed by the Government to curtail inflation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) Government carries out regular analysis of prices of essential commodities based on available information. However, no specific study to find out the reasons for inflationary trend in prices of essential commodities has been conducted. The main reasons for inflationary trend in prices of essential commodities are increase in demand for these commodities due to increase in population and income, hardening in international prices, changes in consumption pattern and hike in minimum support price of various agricultural commodities. Delayed monsoon and floods in some parts of the country have also triggered expectations of lower production of food grains contributing to increase in price level of food articles.

(c) Initiation of monetary measures which impact on the demand side in the economy is under the domain of the Reserve Bank of India (RBI). The monetary policy stance of the RBI has been indicated as to maintain a monetary and interest rate regime consistent with price stability and financial stability and supportive of the growth process. On the supply side, Government has taken several measures which include reducing import duties on wheat, pulses, maize, raw sugar etc.; imposition of stock limits in the case of paddy rice, pulses, sugar; and ban on export of non-basmati rice.

Revival scheme for Rural Co-operative Credit Structure

1239. SHRI K.E. ISMAIL:
SHRI M.P. ACHUTHAN:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the State Government of Kerala has expressed its opinion that the revival scheme for Rural Co-operative Credit Structure based on the Task Force headed by Prof. Vaidyanathan need to be modified taking into account the specific requirements of the State and the amendment proposed to the Banking Regulation Act 1949 as part of the legal and Institutional reforms may be dropped by the Central Government; and

(b) if so, the details thereof and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) Yes, Sir.

(b) The major issues on which the Government of Kerala has not agreed with the provisions of the Government of India Revival Package for the Rural Co-operative Credit Structure are as under:

- Removal of State intervention in all financial and administrative matters of Cooperative Credit Structure (CCS).
- Ban on acceptance of deposits from non-members by cooperatives other than banks.
- Restrictions on Cooperatives other than Cooperatives Banks using the word 'bank', 'banking', 'banker'.
- All regulatory interventions of RBI.
- Fit and proper criteria by RBI for cooperative banks.

The Revival Package is to be implemented in a uniform manner in all States/UTs. Accepting the revival package, twenty-five State Governments have signed the MoU with Government of India and NABARD. This covers more than 96% of the Short Term Cooperative Credit Structure (STCCS) units in the country.

PMRY in Uttarakhand

1240. SHRI BHAGAT SINGH KOSHYARI: Will the Minister of FINANCE be pleased to state:

(a) the total amount of loan disbursed by the banks under Pradhan Mantri Rozgar Yojana (PMRY) in Uttarakhand since 2008-09 till date, bank-wise and year-wise;

(b) whether any irregularities have been found in disbursement of loans;

(c) if so, the details thereof; and

(d) the action taken by Government against the defaulters?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (d) The Prime Minister's Rozgar Yojana (PMRY) has been merged with Rural Employment Generation Programme (REGP) with effect from 1st April, 2008 by Ministry of Micro, Small and Medium Enterprises (MSME) and a new scheme, namely, Prime Minister Employment Generation Programme (PMEGP) has been formulated.

PMEGP is monitored by Khadi and Village Industries Commission, (KVIC), Ministry of MSME.

As reported by Reserve Bank of India, bank-wise details of the loan disbursed in Uttarakhand is not available. However, details of loans disbursed by implementing banks under PMRY for the years 2005-06, 2006-07 and 2007-08 in the State of Uttarakhand are as under: